

BEFORE THE OIL & GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF)
KERR-MCGEE OIL & GAS ONSHORE LP FOR)
AN ORDER POOLING ALL INTERESTS,)
PURSUANT TO C.R.S. § 34-60-116 IN THE)
CODELL FORMATION IN A DESIGNATED 480)
ACRE WELLBORE SPACING UNIT LOCATED)
IN SECTIONS 5, 6, 7, AND 8, TOWNSHIP 2)
NORTH, RANGE 65 WEST, IN THE)
WATTENBERG FIELD, WELD COUNTY,)
COLORADO)

Cause No. _____

Docket No. _____

APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order to pool all interests within a designated 480-acre wellbore spacing unit for the drilling of the Nichols 30C-5HZ Well, API No. 05-123-35919 ("Well") to produce oil, gas, and associated hydrocarbons from the Codell Formation in the following lands:

Township 2 North, Range 65 West, 6th P.M.

Section 5: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 6: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 7: E $\frac{1}{2}$ NE $\frac{1}{4}$

Section 8: W $\frac{1}{2}$ NW $\frac{1}{4}$

Weld County, Colorado (the "Application Lands").

In support thereof, the Applicant states and alleges as follows:

1. Applicant is a limited partnership formed under the laws of the State of Delaware; is a wholly owned subsidiary of Anadarko Petroleum Corporation; is duly authorized to conduct business in the State of Colorado; and is a registered operator in good standing with the Commission.

2. Applicant owns certain interests in the Application Lands.

3. On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.

4. On July 9, 2012, the Commission issued Order No. 407-664, which among other things, pooled all interests in three approximate 200-acre and three approximate

400-acre designated wellbore spacing units for the development and operation of the Codell and Niobrara Formations. Order No. 407-664 includes a portion of the Application lands but does not apply to, nor does it affect this Application.

5. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recompleat a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell Formation.

6. Applicant designated a 480-acre wellbore spacing unit for the Well for the production of oil, gas, and associated hydrocarbons from Codell Formation pursuant to Rule 318A.e. and notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period, and, as such, certifies to the Commission that it did not receive any objections to the well location, proposed spacing unit, or proposed formations.

7. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Well in the Codell Formation underlying the following designated 480-acre wellbore spacing unit:

Township 2 North, Range 65 West, 6th P.M.

Section 5: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 6: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 7: E $\frac{1}{2}$ NE $\frac{1}{4}$

Section 8: W $\frac{1}{2}$ NW $\frac{1}{4}$

(hereafter "Wellbore Spacing Unit").

8. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Well to the Codell Formation on the Application Lands.

9. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well and will be provided with the information required by Rule 530, if applicable. The list of such interested parties is attached hereto as Exhibit A.

10. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands and Wellbore Spacing Unit be pooled for the orderly development of the Codell Formation including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Codell Formation.

B. Providing that the Commission's pooling order with respect to the Wellbore Spacing Unit is made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of any well in the Wellbore Spacing Unit to the Codell Formation on the Application Lands.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Codell Formation in the Wellbore Spacing Unit as comprised of the Application Lands.

D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in November 2012, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 13th day of September, 2012.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: 

Jamie L. Jost
Elizabeth Y. Gallaway
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202

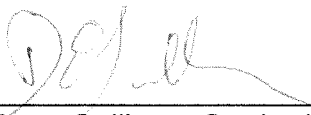
Address of Applicant

Kerr-McGee Oil & Gas Onshore LP
ATTN: Dave Sullivan
1099 18th Street, Suite 1800
Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

Dave Sullivan, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for Kerr-McGee Oil & Gas Onshore LP and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.



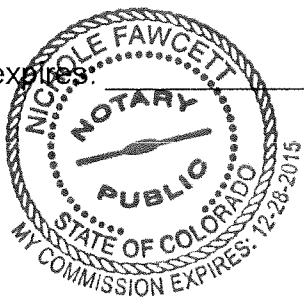
Dave Sullivan, Senior Landman

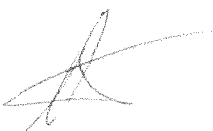
Subscribed and sworn to before this 13 day of September, 2012.

Witness my hand and official seal.

[SEAL]

My commission expires _____





Notary Public

EXHIBIT A
Interested Parties

Robin Christen Ward
c/o Julia Mazzula Noland
10621 Martis Valley Road
Truckee, CA 96161

Robert J. Christen and Arlene M. Christen,
Trustees of the Christen Trust dated
January 31, 1989
2070 Dunes Circle
Reno, Nevada 89509

Stewart G J Clayton
5540 South Yampa Court
Aurora, CO 80015

Nan Clayton Sommer
4458 Chelsea Road
Las Cruces, New Mexico 88005-3527

Maynard W. Nichols
11225 Weld County Road 39
Hudson, CO 80642

Roger D. Sampsel and
Sherie L. Sampsel, JT
PO Box 98
Hudson, CO 8642-0098

Thomas E McCurnin
2621 Van Buren Place
Los Angeles, CA 90007

David S McCurnin
Box 466
Nevis, Minnesota 56467

Davis B. Conkling
7111 Blenheim Palace Lane
Houston, TX 77095-3563

Nancy Conkling Murray
803 North Shorewood Drive
Marble Falls, TX 78654

Noble Energy, Inc.
1625 Broadway, Suite 2000
Denver, CO 80202

Anadarko Petroleum Corporation
1099 18th St. #1800
Denver, CO 80202

Lee Roy and Neva Pauline Nichols, JT
10521 Weld County Road 41
Fort Lupton, CO 80621

Christine Luise Codell, life tenant;
Lee Roy Nichols, remainderman
210 East Parkway Drive
Lamar, CO 81052

Kerr-McGee Onshore Oil & Gas
1099 18th St. #1800
Denver, CO 80202

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AFFIDAVIT OF MAILING

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)

Elizabeth Y. Gallaway of lawful age, and being first duly sworn upon her oath,
states and declares:

That she is the attorney for Kerr-McGee Oil & Gas Onshore LP, that on or before
September 14, 2012, she caused a copy of the attached Application to be deposited in
the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to
the Application.



Jamie L. Jost

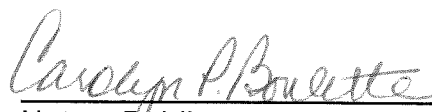
Subscribed and sworn to before me September 14 2012.

Witness my hand and official seal.

My commission expires: October 22, 2015



My Comm. Expires October 22, 2015



Notary Public